

COMPANY/MINE North American Equities Blazon
PERMIT # A-1007021

NOV/00 # 84-2-10-3
VIOLATION # 2 of 3

EVENT VIOLATIONS INSPECTORS STATEMENT

failure to pass all drainage through controls

A. SERIOUSNESS

1. What harmful event was this regulation designed to prevent? Refer to the DOGM reference list of events below and remember that the event is not the same as the violation. Circle the event and explain.

- a. Activity outside the approved permit area.
- b. Injury to the public (public safety).
- c. Damage to property.
- d. Conducting activities without appropriate approvals.
- e. Environmental harm.
- (f) Water pollution.
- g. Loss of reclamation / revegetation potential.
- h. Reduced establishment of a permanent, diverse and effective vegetative cover.
- i. Other.

In 2 spots drainage from the mine yard has entered Mud Creek without passing through sediment controls,

see back of page

2. Has the event occurred? Yes ✓ No

If yes, describe it. If no, what would cause it to occur and how likely is it that it would happen.

Flow in the past has crossed the yard and directly entered the creek without treatment

3. Would and/or does damage extend off the permit area?

Would: Yes ✓ No
Does: Yes ✓ No

4. Describe the duration and extent of the damage or impact. How much damage may have occurred if the violation had not been discovered by a DOGM inspector? Describe this potential damage and whether or not damage would extend off the permit area.

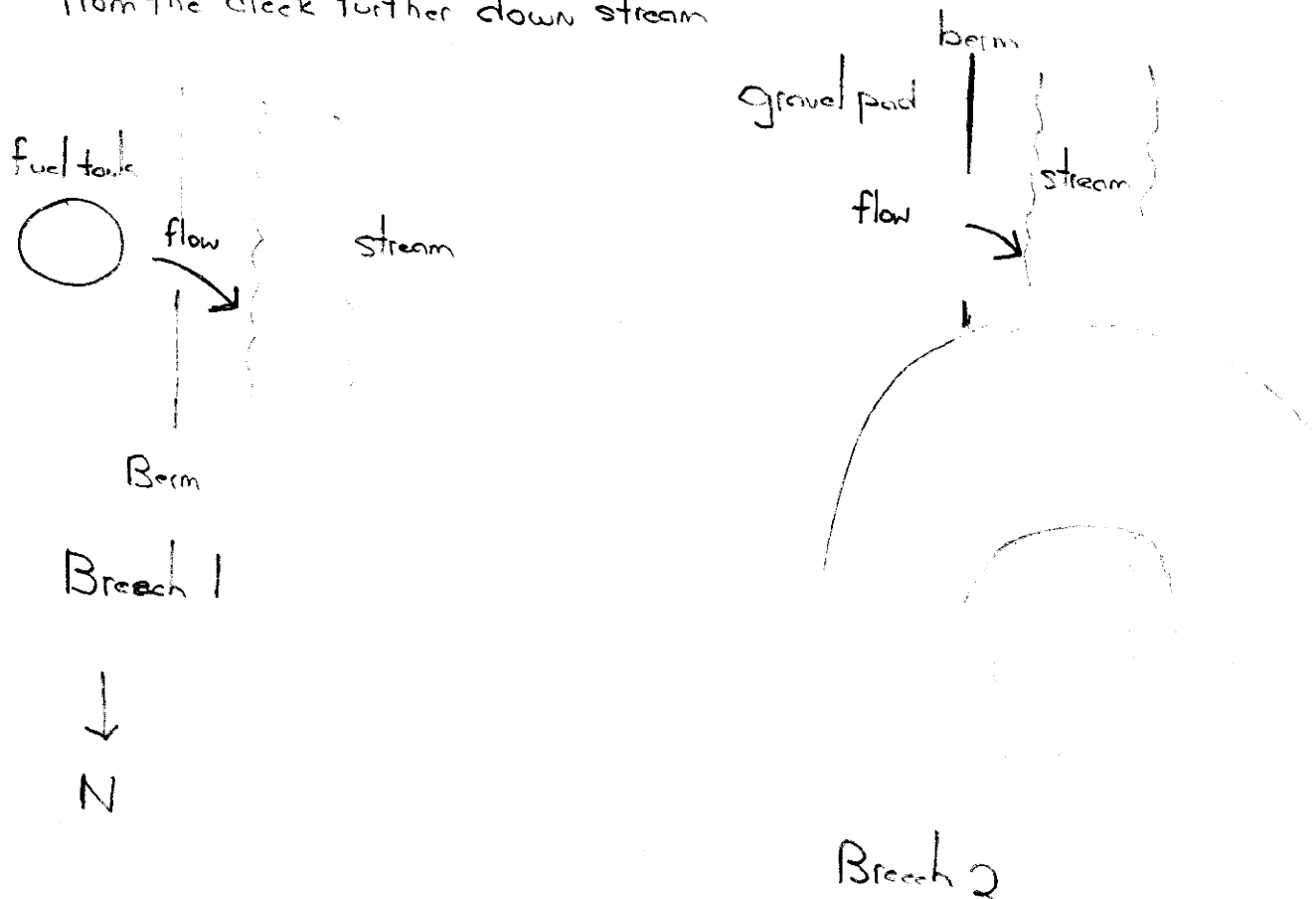
Whenever runoff from the site would enter the basin flow would pass through these 2 breaches,

Potential damage off the permit area. Yes No

A 1. Contaminants including sediment, coal fines and diesel fuel may have entered Mud Creek through these breaches
By examination of these it is evident some flow in the past has occurred.

2. Yes flow has passed through the breaches

4. At a minimum some sediment from the mine pad entered the creek whenever runoff occurred. This would affect Mud Creek which is a trout fishery and could cause a fish kill. Cattle also water from the creek further down stream



B. DEGREE OF FAULT (Only one question applies to each violation, check one and discuss.)

() No Negligence

If you think this violation was not the fault of the operator (due to vandalism or an act of God), explain. Remember the permittee is considered responsible for actions of all persons working on the mine site.

(✓) Ordinary Negligence

If you think this violation was the result of not knowing about DOGM regulations, indifference to DOGM regulations or the lack of diligence or reasonable care. Explain.

This site is inactive and much of the time NO ONE is on the area.
During winter it receives a heavy snow cover and surface is not visible

() Recklessness:

If the actual or potential environmental harm or harm to the public should have been evident to an operator, describe the situation and what if anything, the operator did to correct it prior to being cited.

() Knowing and Willful Conduct

Was the operator in violation of a specific permit condition? Did the operator receive prior warning of noncompliance by State or Federal inspectors concerning this violation? Has DOGM or OSM cited the violation in the past? If so, give the dates and the type of warning or enforcement action taken.

C. GOOD FAITH

1. In order to receive good faith for compliance with an NOV or CO the violation must have been abated before the abatement deadline. If you think this applies, describe how rapid compliance was achieved (give dates) and describe the measures the operator took to comply as rapidly as possible.

No good faith

2. Explain whether or not the operator had the necessary resources onsite to achieve compliance.

Yes, This work could be accomplished by pick and shovel

3. Was the submission of plans prior to physical activity required by
----- No -----

8/2/84

DATE

Thomas W. Wright
AUTHORIZED REPRESENTATIVE